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**Testimony of  
 Permanent Commission on the Status of Women  
 Submitted to the  
 Labor and Public Employees Committee  
 March 3, 2016**

**Re: H.B. 5237, AN ACT CONCERNING FAIR CHANCE EMPLOYMENT  
 S.B. 39, AN ACT CONCERNING THE MINIMUM FAIR WAGE AND  
 EMPLOYEES WHO CUSTOMARILY AND REGULARLY RECEIVE  
 GRATUITIES.  
 S.B. 314, AN ACT CONCERNING THE TEMPORARY FAMILY ASSISTANCE  
 PROGRAM AND UNEMPLOYMENT COMPENSATION BENEFITS.**

Senators Gomes and Hwang, Representatives Tercyak and Rutigliano, and distinguished members of the Labor Committee, my name is Jillian Gilchrest and I am the Senior Policy Analyst for the Permanent Commission on the Status of Women (PCSW). Thank you for this opportunity to provide testimony on in support of H.B. 5237, An Act Concerning Fair Chance Employment. I have also included testimony on two additional bills, but will not be speaking on those today.

In March of 2014, the Ella Baker Center for Human Rights, Forward Together, and Research Action Design launched a collaborative project with 20 community-based organizations across the country to address four decades of unjust criminal justice policies. They found that the collateral impacts of those policies last for generations and are felt most deeply by women, low-income families, and communities of color.<sup>1</sup> HB 5237 is an important piece of a comprehensive movement to reform the criminal justice system, reduce the number of people going into prison, and make it easier for those already in to get out and have a chance at a law-abiding life. In particular, HB 5237 can improve the lives of Connecticut women who have been incarcerated or have experienced the economic and emotional costs of having a relative or partner who has been incarcerated.

Thailand is the only country in the world with a higher incarceration rate for women than the United States.<sup>2</sup> According to the Connecticut Department of Corrections, women make up 7% of Connecticut's prison population. While the lifetime likelihood of imprisonment for women is 1 in 56, the chance that a women of color will be incarcerated is much higher—1 in 19 for black women and 1 in 45 for Hispanic women.<sup>3</sup> The crimes for which women are most frequently incarcerated differ than those of

<sup>1</sup> Who Pays? The True Cost of Incarceration on Families, September 2015

<sup>2</sup> Prison Policy Initiative, 2015

<sup>3</sup> The Sentencing Project, 2012

men, as do the barriers they experience upon reentering the community and workforce. According to research out of Berkley School of Law, a woman with a criminal record is least likely to receive a positive response to a resume submission, and when it comes to African American women, they are most likely to suffer from the stigma of criminalization—whereby they get a negative response whether or not they have a criminal record.<sup>4</sup>

Studies have shown that employment is the single most important influence on decreasing recidivism, and that two years after release nearly twice as many employed people with records had avoided another brush with the law than their unemployed counterparts. When looking at recidivism rates it is important to look at the recidivism rates of men and of women, because they tell a different story. While recidivism rates for men in Connecticut have been dropping, they remain steady for women.<sup>5</sup> HB 5237 can help address this inequity by ensuring that when a woman reenters a Connecticut community, she has a fair chance at employment.

Women also find themselves impacted by unfair employment practices when a household member has been formerly incarcerated. Almost one in four women and two in five Black women are related to someone who is incarcerated.<sup>6</sup> Many key opportunities, such as education loans or housing assistance, are limited or prohibited for formerly incarcerated people. The impact of many of these restrictions jeopardizes the economic stability of incarcerated people and the families that support them.<sup>7</sup>

The PCSW supports HB 5237 and ensuring that all Connecticut residents have a fair chance at employment. Thank you for your time today and your consideration of this important public policy.

## **S.B. 39, AN ACT CONCERNING THE MINIMUM FAIR WAGE AND EMPLOYEES WHO CUSTOMARILY AND REGULARLY RECEIVE GRATUITIES.**

In Connecticut, half of employed women are concentrated in two groups of occupations, the service industry and sales and office positions, which are among the lowest-paid.<sup>8</sup> Tipped restaurant workers are paid a “tipped wage” which means that they are only guaranteed a base wage of \$5.78/hour – far less than the minimum wage – with the expectation that the difference will be made up in tips. If the worker does not receive sufficient tips in the workweek to meet minimum wage, then the employer is required to make up the difference (the current maximum tip credit is \$3.37). According to the Shriver Report, women account for 70% of tipped workers nationally. Furthermore, low pay and dependence on tips makes a woman three times as likely to live in poverty as the rest of the U.S. workforce and is more likely than in other industries to be subjected to verbal and physical harassment.<sup>9</sup>

Tipped wages are unpredictable and arguably have less to do with the quality of service and more to do with the weather or the price-point of the restaurant. However, household expenses at best, are constant, but as we all know, usually increase. As women’s contributions to family income increases – employed women in dual earner couples contribute an average of 42.4% to the annual family income<sup>10</sup> – it

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<sup>4</sup> M. Morris, M. Sumner, and J. Borja, *A Higher Hurdle: Barriers to Employment for Formerly Incarcerated Women* (Berkley: Thelton E. Henderson Center for Social Justice, University of California, Berkley, School of Law, 2008).

<sup>5</sup> OPM, Criminal Justice Policy and Planning Division, *Recidivism in Connecticut, 2008 Releases*, 2015

<sup>6</sup> Who Pays? The True Cost of Incarceration on Families, September 2015

<sup>7</sup> Who Pays? The True Cost of Incarceration on Families, September 2015

<sup>8</sup> The Status of Women in Connecticut’s Workforce. PCSW and Institute for Women’s Policy Research, November, 2014.

<sup>9</sup> Tipped Over the Edge: Women in the U.S. Restaurant Industry. The Shriver Report, January 2014.

<sup>10</sup> U.S. Congress Joint Economic Committee. *Expanding Access to Paid Sick Leave*, March 2010.

becomes essential to a family's economic security for the co-breadwinner to have a stable source of income. PCSW supports the creation of a single minimum wage for all workers, rather than the existing sub-minimum wage that exists for tipped workers. S.B. 39 will require that every server earns the minimum wage as the base wage, placing a family's economic security and well-being back in the hands of the server, and not at the mercy of the customer or the weather.

## **S.B. No. 314 AN ACT CONCERNING THE TEMPORARY FAMILY ASSISTANCE PROGRAM AND UNEMPLOYMENT COMPENSATION BENEFITS**

The Temporary Family Assistance (TFA) program is Connecticut's cash assistance program for families with children, administered by the Department of Social Services. The program was implemented in 1996 as a result of federal "welfare reform" and has changed little in the past 20 years despite decades of experience and the drastically different economic reality of today's world.

PCSW supports the intent behind Section 1 of the bill which would allow a family receiving TFA to continue to receive assistance, during the twenty-one month eligibility period, after a family member becomes employed, if the total amount of their wages and assistance does not exceed 150% of the federal poverty level (FPL). The effect of such a change would be to encourage employed individuals who receive cash assistance to take on more work hours, for instance, or otherwise seek advancement in their employment without the fear of losing all essential cash assistance.

The Self-Sufficiency Standard measures the actual costs to live for families of different sizes and make-ups in 23 geographic regions across Connecticut and calculates the wage needed – the self-sufficiency wage – to meet basic needs. The PCSW commissioned to have the Self-Sufficiency Standard updated in 2015, and found that across Connecticut, most low income occupations, even those with median wages above the minimum wage, such as retail salespeople, janitors and nursing assistants, earn far less than is needed to achieve self-sufficiency, especially in households with one income earner and two small children. The report found that public assistance benefits, to the extent they are available, are essential in closing the gap between actual wages and how much it takes to meet a family's basic needs.<sup>i</sup> Thus, any changes to TFA that can encourage beneficiaries to grow in their employment without being punished through a loss of benefits for increasing their earnings, will go a long way toward assisting families in achieving self-sufficiency.

However, the change proposed in this bill does not address the significant problem known as the benefit "cliff," which is the abrupt loss of all cash assistance occurring when a beneficiary becomes employed and the earnings exceed the current limit of 100% FPL. PCSW would recommend a graduated approach where benefits would be stepped down in order to facilitate a transition off of benefits and successfully move toward economic self-sufficiency.

Thank you for the opportunity to submit this testimony and for considering these issues of great importance to Connecticut's working women.

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<sup>i</sup> Pearce, Diana, PhD. Prepared for the Permanent Commission on the Status of Women. The Self-Sufficiency Standard for Connecticut 2015. September 2015.